

Bear Springs Trails Water Supply Corporation Meeting Minutes

BSTWSC Regular Board Meeting		
3.13.2017		7:00 p.m.
		997 Bear Springs Trails, Pipe Creek, TX 78063
Meeting called by	Jan Serene, Board President	
Type of meeting	BST Water Supply Corporation Directors Meeting	
Note taker	Karla Seale, Secretary	
Attendees:	Jan Serene, President; jan.serene@att.net; 830-510-4282	
	Andy Watson, Vice President; awatson@vaughnconstruction.com; 281-831-4489	
	Karla Seale, Secretary; texaslazyk@gmail.com; 210-563-1302	
	Betty Serene, Treasurer; betty.serene@att.net; 830-510-4284	
	Flint Lemon, Director & IT Technical Advisor; flint-claudio@att.net; 830-446-9444	
	Carl Schuman, Technical Advisor; c.schumann@sbcglobal.net; 210-854-5832	
	Dave Ketterer, BSTOA President, ketterer.david@gmail.com; 210-749-8350	
Agenda		
Call to Order		
Roll Call and Quorum Determination		
Approval of February Meeting Minutes		
TCEQ 3-Year Inspection Update		
Water System Operations and Concerns		
BSTWSC Treasurer's Report		
For Decision: Repair Reimbursement, Rate Increase, and/or Overage Cost Increase Discussion		
Open Forum for Visitor's Suggestions, Proposals, and Grievances		
Calendar & Follow-Up Actions		
Adjournment		
Topic: Call to Order, Quorum Determination and Approval of Previous Meeting Minutes		
Presenter	Jan Serene	
Key Points		
All individuals listed as attendees above were present. All Directors were present therefore a quorum was present. Note: Vice President Andy Watson attended by phone.		
The February meeting minutes were approved as written.		
Topic: TCEQ 3-Year Inspection Update		
Presenter	Jan Serene	
Key Points		
- President Serene received notification from TCEQ that another inspector had been assigned to help with the backlog. - In the past TCEQ required all submissions to be either delivered by fax or in person. They notified BSTWSC that they now accept email submissions. President Serene resent via email a number of documents that had previously been faxed, but were unfortunately of poor quality. - BSTWSC received a certified letter that all issues were cleared with the exception of the annual inspection of the two water tanks. BSTWSC was granted a 30 day extension. President Serene subsequently sent the inspection report on the two tanks which should complete the 3-Year inspection.		
Action Items		Person Responsible
No Actions for this Topic		N/A
Topic: Water System Operations and Concerns		
Presenter	Jan Serene and Andy Watson	
Key Points		

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BSTWSC received a customer call regarding a low water pressure problem. The water operator checked the system pressure and the pressure on our side of the meter, both of which were found to be okay. He also checked for any clogs that might affect the pressure, and found none. The customer was advised to check to see if he had a water pressure regulator that might be causing the issue. He was also advised to check for a leak because he is consistently the highest water user of the system.		
The water operator fixed a leak at another customer's home that was caused by a loose fitting at the meter. Additionally, a water leak was discovered inside the house that caused some damage. This leak was not the responsibility of the BSTWSC.		
The water operator recently checked the chlorine levels. The last test sample taken by the Texas Water Control inspection was within normal standards.		
Action Items	Person Responsible	Deadline
No Actions for this Topic	N/A	N/A
Topic: BSTWSC Treasurer's Report		
Presenter	Betty Serene	
Key Points		
BSTWSC account balance is \$8,403.22. Once the treasurer is paid, the balance will be reduced to \$6,603.22.		
Action Items	Person Responsible	Deadline
No Actions for this Topic	N/A	N/A
Topic: Repair Reimbursement, Rate Increase, Overage Cost Discussion		
Presenter	Jan Serene and Dave Ketterer	
Key Points		
- BSTWSC Board of Directors discussed the need to request a reimbursement of \$5,534.98 from the BST Owner's Association to cover the expense of the recent water system repair as well as a possible rate increase. - BSTOA President Ketterer informed the BSTWSC Board that he was not in favor of reimbursing the water company because of its obligations to maintain funds for road repairs, the front entrance, the water system well note; etc. He did not believe that enough reserves were in the account to allow for a reimbursement to the water company. - BSTWSC President indicated that even if a reimbursement occurred, a water rate increase was still necessary. The reimbursement would simply reduce the amount of the water rate increase. - The BSTWSC Board agreed that the water company is not operating at a water rate level sufficient to cover its costs. A rate increase is necessary before it becomes insolvent and to allow for a sufficient amount of reserves to cover unanticipated repairs. - The Board noted that the reserves have been dropping due to unanticipated repairs of the water system infrastructure, not due to routine maintenance/costs. - The Board discussed various options for increasing the reserves: charging each individual water customer a portion of the repair (\$220.00); raising the rate to a level that includes enough overage to build up the reserves to a level of \$15-20k before reducing it back to a normal maintenance rate; charging a flat rate monthly charge (not dependent of water usage) for infrastructure maintenance; a temporary surcharge; etc. - The Board also discussed with the BSTOA President whether or not the Owner's Association members (i.e. Lot Owners) should bear some of the expense of the repair since this is the water system infrastructure available to every lot owner. In other words, all lot owners should bear the cost of keeping the water system infrastructure available. This could also potentially be accomplished through an Owner's Association rate increase. - The President and Treasurer estimate that the water rates must increase \$10-30 per month depending on whether or not the BSTOA reimburses for the repair. Currently BSTWSC has 26 paying customers. At a \$10/month increase, this would result in \$3120.00 annually in additional income. This is not likely to build enough reserves independently of a reimbursement. - The Board agreed that reserves must be built up for infrastructure improvements/maintenance/repairs. - President Serene proposed putting to the membership at the annual meeting two rate proposals, one with reimbursement from BSTOA and one without. The proposals are being provided to assist the BSTOA members in deciding whether to approve the reimbursement. The BSTWSC Directors will determine the amount of the rate increase, if any, not the membership. The Board and President Ketterer agreed that the BSTWSC annual meeting should/would occur before the Owners Association meeting. - President Serene reminded the Board that we did not need an approval from TCEQ for a rate increase. - Vice President Watson inquired if a surplus of reserves could be distributed back to the membership in the form of a rebate, but President Serene indicated that under the rules, we cannot issue rebates. - BSTWSC President Serene and BSTOA President Ketterer agreed on the 6th of May 2017 at 10a.m. for the annual meetings.		

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Action Items		Person Responsible	Deadline
Prepare actual figures for rate increase proposals to be presented at the annual meeting for next Board meeting discussion.		Jan and Betty Serene	Before next regular Board meeting.
Prepare combined BSTWSC and BSTOA annual meeting agenda for inclusion in the April mailing.		Karla Seale and Betty Serene	Before 27 March.
Topic: Open Forum for Visitor's Suggestions, Proposals, and Grievances			
Presenter	Jan Serene		
Key Points			
President Serene opened the floor for suggestions, proposals, and grievances.			
Technical Advisor Carl Schuman requested that the water operator check the chlorine levels more often. Vice President Watson informed the Board that the water operator checked the chlorine levels every week in accordance with regulatory guidelines, and to do so more often would increase the cost of his services.			
The BSTWSC customers who had been experiencing water quality/sediment issues (i.e. Brown water) had not been having any issues of late. The Board speculated that this may be because of new water users nearby whose use might be having a positive impact on the water quality in that part of the system.			
BSTWSC Directors Jan and Betty Serene's terms end in 2017 and they are up for re-election. As a recap: Director Watson and Director Flint Lemon's terms end in 2018. Director Karla Seale's term ends in 2019. (Note: The Officer positions are determined by the Board of Directors annually at the first Board meeting after the election.)			
Topic: Calendar & Follow-Up Actions			
Presenter	Jan Serene		
Next Meeting	10 April 2017 at 7:00 p.m. at 997 Bear Springs Trail, Pipe Creek, TX 78063		